

GSS America's Q1 2009 Revenues up 14% at Rs. 1,085 million

Net Profit increases 12%

Hyderabad, 29 July 2008: GSS America Infotech Limited ("**GSS America**" or "**Company**") with focus in IT Infrastructure and Software Services sectors, reported its results for the first quarter ended June 30, 2008.

On a sequential quarter basis, revenues increased 14.41% at Rs. 1,085.5 million compared to Rs. 948.8 million. Net profit at Rs. 206.7 million compared to Rs. 184.4 million, up 12.13%. EPS stood at Rs. 15.54, an increase of 12.15%.

Commenting on the performance, **Bhargav Marepally, CEO and Managing Director, GSS America** said, *"I am pleased to announce a strong quarter in terms of revenue and profit growth. The slew of initiatives that we had undertaken, in Infrastructure Management Services, is starting to show positive results. We hope to build on these successes in the current fiscal. Interactions with our customers have been positive and we see continued momentum to our offshoring business and the global delivery model in particular."*

GSS America has shortlisted a US-based firm, having annual revenues of over USD 100 Million, for acquisition. The Company has entered into an agreement to conduct due diligence for acquisition of the prospect, which is in line with our inorganic growth strategy. Mr. Bhargav Marepally, CEO and Managing Director of GSS America Infotech has been authorized by the Board of Directors to appoint agencies to conduct due diligence and carry out such other tasks necessary for finalizing the acquisition, subject to necessary statutory approvals.

Awards & Recognition

GSS America Wins Best Managed Company award from Finance Asia

GSS was awarded "Asia's Best Managed Company" from Finance Asia in the small cap category. Rankings are based on responses from investors and analysts across the region.

Attached: Financial Results

About GSS America:

GSS America Infotech Limited (BSE: 532951, NSE: GSSAMERICA) is one of India's fastest growing IT Consulting and Software Development Company. Since 1999, GSS America has been a leading Global IT Services company focused on providing scalable and cost-effective IT Solutions using Global Delivery Model in customized solutions for industries like Financial Services, Insurance, Telecom, Manufacturing, Transportation, Healthcare, Legal and Power.

Since inception, GSS America has grown consistently and has served over 600 client relationships in US and India. Recognizing GSS America for its outstanding performances and extensive contribution to the industry, the Company was conferred for 'Excellence Award' by the Institute of Economic Studies (IES), Delhi on April 2008.

For further information on the Company and its products, please visit: www.gssamerica.com

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Disclaimer: This press release contains forward-looking statements. The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. The Company undertakes no duty to update any forward-looking statements.

Indian GAAP Consolidated

Rs. million except per share data

Provisional Profit & Loss Summary for Quarter Ended		June	March	QoQ Growth
		2008	2008	%
1	Net Income from sales/services	1,085.50	948.77	14.41
	Cost of sales/services			
2	Staff Costs	829.29	677.45	22.41
3	Gross Profit (1-2)	256.21	271.32	(5.57)
4	General Administrative Expenses	32.37	49.22	(34.25)
5	Selling and Distribution Expenses	1.35	5.06	(73.24)
6	Depreciation	23.56	23.69	(0.54)
7	Operating Profit before interest (3) – (4+5+6)	198.93	193.35	2.88
8	Interest	-	-	
9	Exceptional Items	-	0.01	(100.00)
10	Operating Profit after interest and Exceptional Items (7-8-9)	198.93	193.34	2.89
11	Other Income	31.18	7.91	294.13
12	Profit (+)/Loss (-) from Ordinary Activities before tax (10+11)	230.10	201.25	14.33
13	Tax Expense	23.37	16.88	38.41
14	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (12-13)	206.74	184.37	12.13
15	Extraordinary items (net of tax expense)	-	-	
16	Net Profit (+)/ Loss(-) for the period (14-15)	206.74	184.37	12.13
17	Paid-up equity share capital (Face Value. Rs. 10/- each)	133.00	133.00	
18	Reserves and Surplus	2,775.32	2,512.85	
19	Earnings Per Share (Face Value Rs. 10/- each)			
	a) Basic and diluted EPS before Extraordinary items for the period	15.54	13.86	12.15
	b) Basic and diluted EPS after Extraordinary items for the period	15.54	13.86	12.15
20	Public shareholding *			
	– Number of shares	6,249,000	6,832,000	
	– Percentage of shareholding	46.98	51.37	

**Indian GAAP Consolidated
Provisional Balance Sheet as at**

in Rs. Million

Particulars	June 2008	March 2008
SOURCES OF FUNDS		
Shareholder's Funds		
Share Capital	133.00	133.00
Share Application Money Pending Allotment		
Reserves and Surplus	2,775.32	2,512.85
Loan Funds		
Secured loans	-	-
Unsecured loans	-	-
Deferred Tax Liabilities	0.66	0.56
Capital Employed	2,908.98	2,646.40
APPLICATION OF FUNDS		
Fixed Assets		
Gross Block	479.42	478.07
Less Depreciation	102.67	79.11
Net Block	376.74	398.96
Capital Work in Progress	-	-
Investments	-	-
Current Assets, Loans and Advances		
A) Current Assets		
Inventories	-	-
Sundry Debtors	925.86	827.42
Cash and Bank Balances	1,716.38	1,616.54
B) Loans, Advances & Other Current Assets	213.10	135.49
	2,855.34	2,579.45
Less Current Liabilities & Provisions	323.10	332.01
Net Current Assets	2,532.24	2,247.44
Capital employed	2,908.98	2,646.40